

Message Text

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ORIGIN EB-08

INFO OCT-01 ARA-06 ISO-00 L-03 COME-00 FEA-01 DOTE-00
CAB-02 CIAE-00 DODE-00 INR-07 NSAE-00 FAA-00 /028 R

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EB/AN:ARIMAS

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L/EB:PMICKEY (INFO)

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FEA:KBAUER

DOT/OST:LERICSON (INFO)

CAB/BIA:CCOLDREN (INFO)

-----242022 032081 /46

R 242001Z FEB 77

FM SECSTATE WASHDC

TO AMEMBASSY BOGOTA

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E.O. 11652: N/A

TAGS: EAIR, CO, ENRG

SUBJECT: CIVAIR - JET FUEL PRICES

REF: A) STATE 28283 B) 76 STATE 312499,
C) BOGOTA 414, D) BOGOTA 199, E) BOGOTA 12762

1. UP UNTIL PRESENT NO ACTION HAS BEEN TAKEN ON AVIANCA
REQUEST FOR SUPPLEMENTAL DOMESTIC FUEL ALLOCATION IN
LIGHT OF INTRODUCTION OF NEW 747 TO AVIANCA'S U.S.
ROUTES. DEPT PREFERRED TO AWAIT DEVELOPMENTS WITH
REGARD TO FUEL PRICE DISCRIMINATION AND FUEL TAXES
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IMPOSED ON BRANIFF IN COLOMBIA.

2. ON FEBRUARY 7, AVIANCA'S WASHINGTON LAWYER CALLED
TO SAY THAT AVIANCA'S SUPPLIER, TEXACO, WAS CUTTING ALL
ITS CUSTOMERS TO 85 PERCENT OF ALLOCATION BECAUSE OF
THE COLD WEATHER IN THE U.S. AND THE RESULTING EXCESS
DEMAND ON FUEL SUPPLIES. AS A RESULT AVIANCA NEEDED

IMMEDIATE APPROVAL OF ITS SUPPLEMENTAL ALLOCATION, AT LEAST FOR THE FIRST QUARTER. THE ALTERNATIVE WOULD BE A CUT IN AVIANCA SERVICES AND, MOST LIKELY, GOC RETALIATION AGAINST BRANIFF. AVIANCA WAS WORKING FOR AN ACCEPTABLE SETTLEMENT OF BRANIFF'S PROBLEMS AND WAS CONFIDENT IT COULD ACHIEVE SUBSTANTIAL PROGRESS, BUT IF THE SUPPLEMENTAL

WERE NOT APPROVED IT WOULD RUN OUT OF FUEL FIRST. (FEA HAS CONFIRMED THAT AVIANCA WOULD REQUIRE AT LEAST 45 DAYS TO ESTABLISH A BONDED FUEL SUPPLY.)

3. IN LIGHT BOGOTA REFTELS, PARTICULARLY REF. E, AND FACT NEITHER EMBASSY NOR GOC HAS HAD OPPORTUNITY RESPOND TO POINTS MADE REF. A, DEPARTMENT IS RECOMMENDING TO FEA THAT IT APPROVE SUPPLEMENTAL ALLOCATION, BUT ONLY FOR FIRST QUARTER OF 1977. THIS WILL PROVIDE TIME TO RESOLVE BRANIFF'S PROBLEMS OR, ALTERNATIVELY, FOR AVIANCA TO ARRANGE FOR BONDED FUEL SUPPLIES. IN DEPT'S VIEW, AND WE HAVE MADE THIS POINT TO AVIANCA'S WASHINGTON REP, AVIANCA SHOULD PLAY SAFE BY MAKING AT LEAST TENTATIVE ARRANGEMENTS NOW.

4. WASHINGTON REP HAS RECEIVED REPORT FROM AVIANCA'S BOGOTA OFFICES THAT FIRST BRANIFF REFUND REQUEST WAS SUBMITTED TO WRONG OFFICE, THAT THERE HAS BEEN NO FOLLOW UP, AND THAT SECOND REQUEST (FOR 1972-76) IS STILL NOT SUBMITTED. APPARENTLY AVIANCA-BOGOTA IS BADLY MISINFORMED, BUT SUCH MISINFORMATION MAY MAKE AVIANCA'S EFFORTS TO HELP LESS PRODUCTIVE. DEPT WILL LIMITED OFFICIAL USE

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PURSUE AS BEST IT CAN, BUT WOULD APPRECIATE ANY EFFORTS EMBASSY THINKS DESIRABLE AT BOGOTA END.

5. PLEASE CONTINUE TO KEEP DEPT CURRENTLY INFORMED OF DEVELOPMENTS AND PROSPECTS.
VANCE

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRICES, JET FUEL
Control Number: n/a
Copy: SINGLE
Sent Date: 24-Feb-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE041570
Document Source: CORE
Document Unique ID: 00
Drafter: SCKEITER:PMA
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770064-0964
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770212/aaaaaktr.tel
Line Count: 103
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: be59c1bf-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 STATE 28283, 76 STATE 312499
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 12-Jan-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3238406
Secure: OPEN
Status: NATIVE
Subject: CIVAIR - JET FUEL PRICES
TAGS: EAIR, ENRG, CO
To: BOGOTA
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/be59c1bf-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009